

UCSUR Brownbag Series

September 22, 2011

Neighborhood
Revitalization: Keys
to Success and
Future Challenges

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Integrated Development Partnership

NEW
MARKETS

MBS
Urban Initiatives CDE

DEVELOPMENT

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- Leading Developer of Mixed Income Communities
- 15,999 units of housing
- \$2.40 billion TDC
- \$564 M in Federal Grants
- \$98.6 M Foundations
- \$880 M in Equity

RENEWABLES

Sunwheel
ENERGY PARTNERS

MANAGEMENT

- Management Portfolio of 12,358
- Staff experienced in Mixed Income Management/ Compliance
- Hands on Management
- Committed to Community Stability

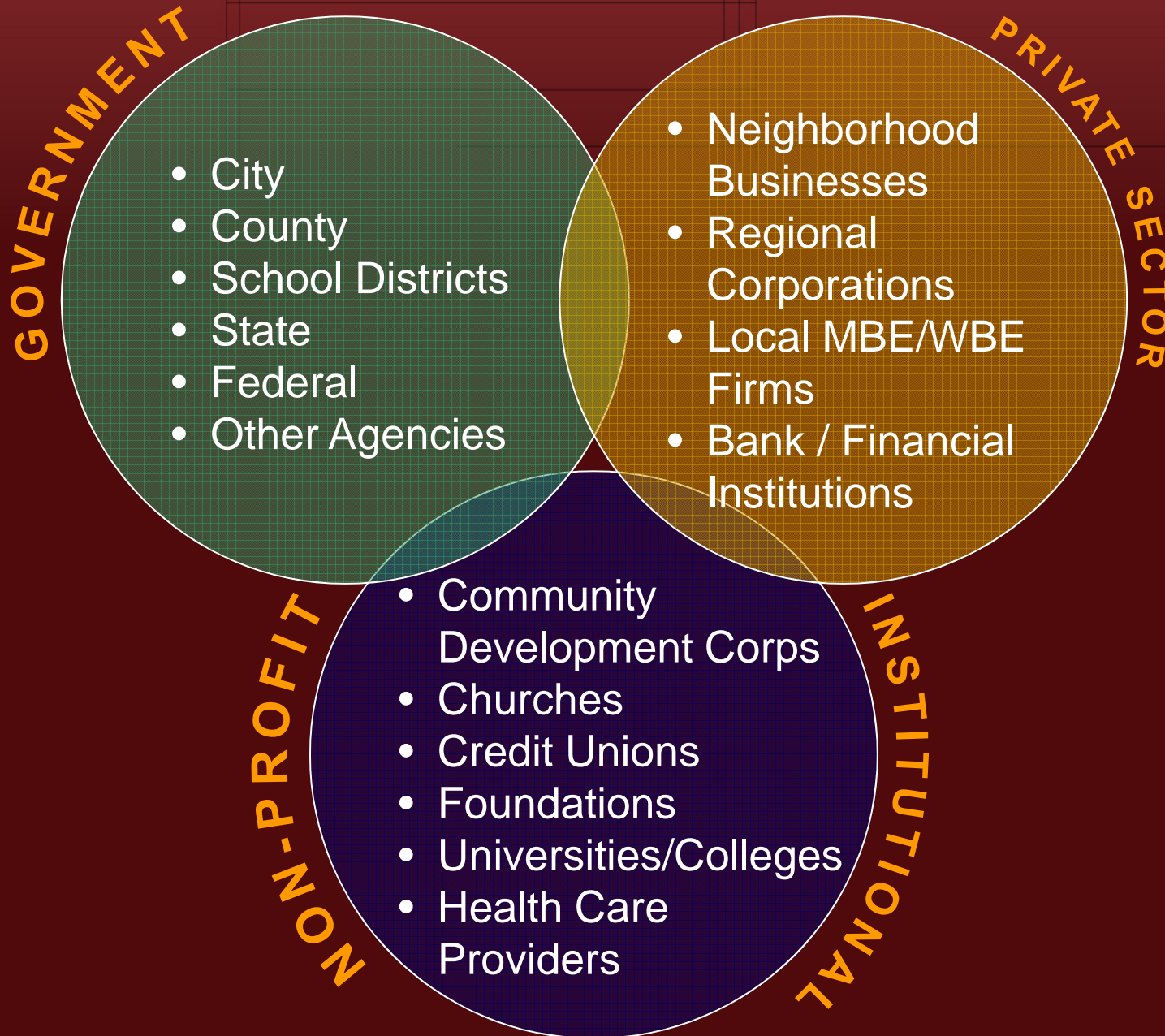
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- Community Services Liaison
- Housing, schools & supportive services
- Community Planning & Human Capital Development
- Economic development
- Programs for families, seniors, and children

URBAN
STRATEGIES

HUMAN
CAPITAL

Community Stakeholders

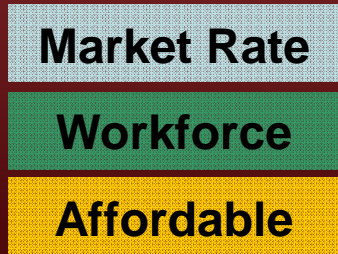


MBS Mission:

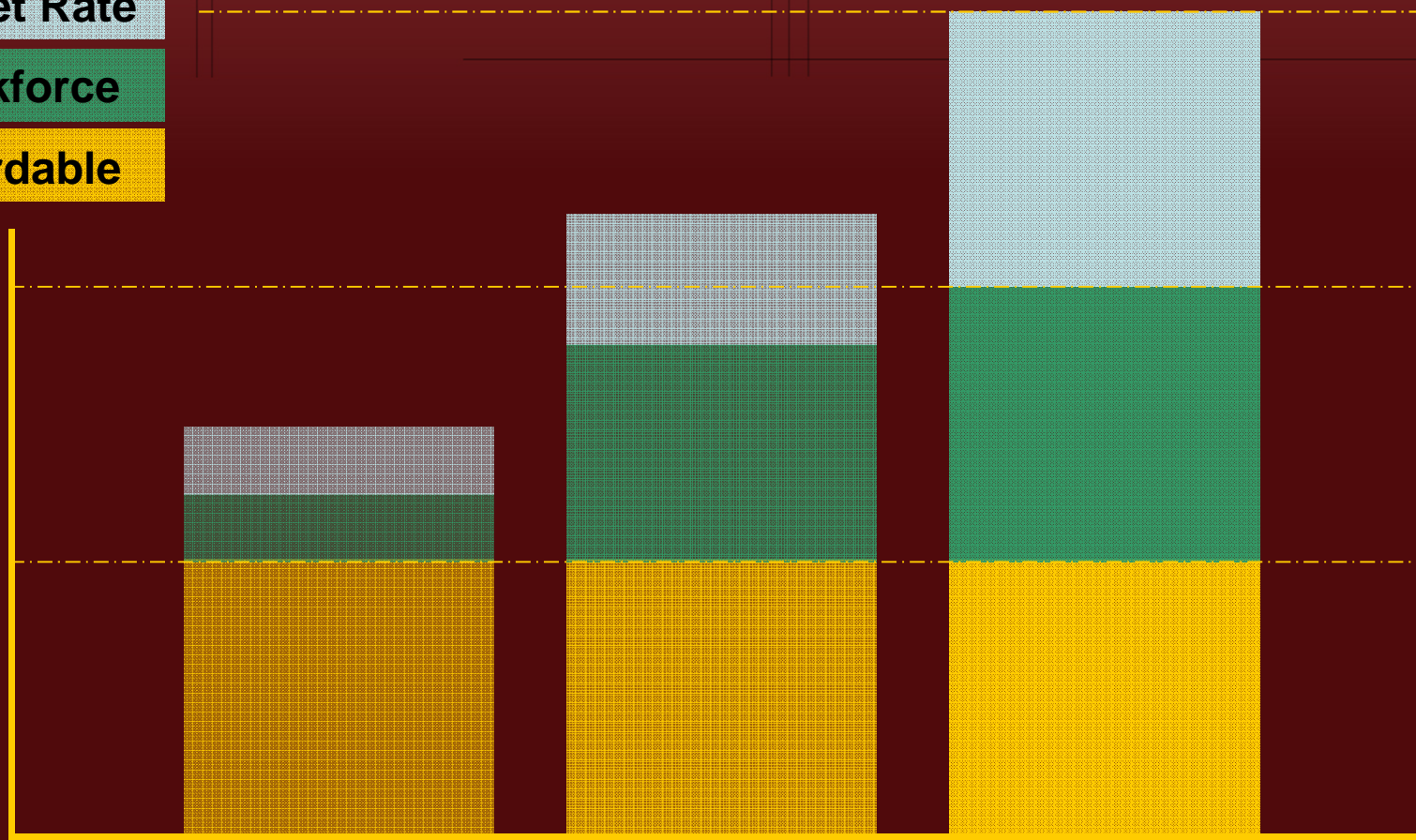
To **rebuild neighborhoods in central cities** across the United States that have deteriorated through years of neglect and disinvestment.

The goal is positive, **long-term, and comprehensive revitalization of neighborhoods:** economically diverse, architecturally pleasing, functional places that reflect strength, pride, and become neighborhoods of choice.

Neighborhood Housing Trends



Type & Number of Housing Units



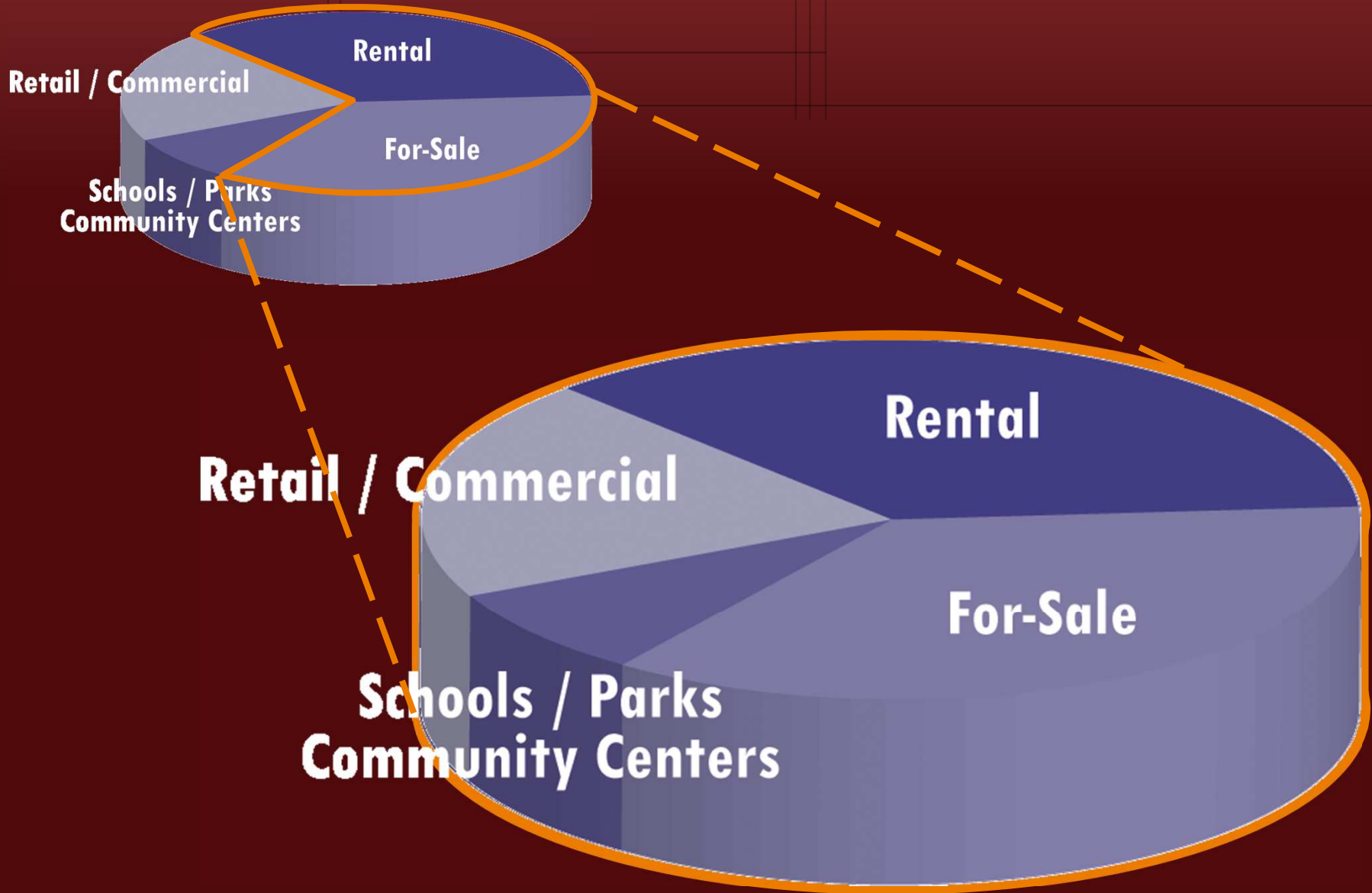
Before

During

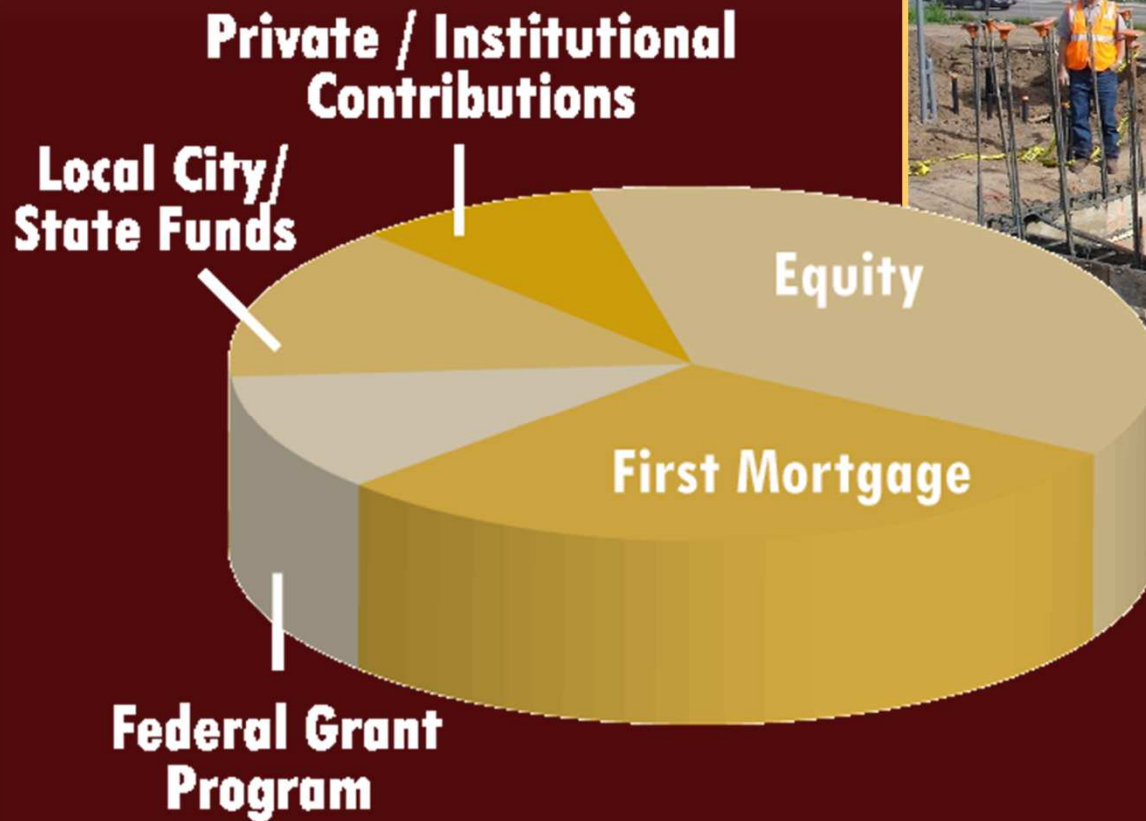
After

Project Timeline

Economic Integration & Social Diversity



Financing



Community Based Approach

Market

Program

**The
Project**

Design

Finance

Smart Growth Communities:



Healthy communities

Accommodating growth while preserving open space and critical habitat, reusing land and existing infrastructure, and protecting water supplies and air quality.

Economic development and jobs

Creating business opportunities and improving local tax base, providing neighborhood services and amenities.

Strong neighborhoods

Providing a range of housing options, maintaining and enhancing existing neighborhoods and creating a sense of community.

Transportation choices

Giving people the option to walk, ride a bike, take transit, or drive.

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**6 North
St. Louis, Missouri**



**The Monarch
Kansas City, Missouri**



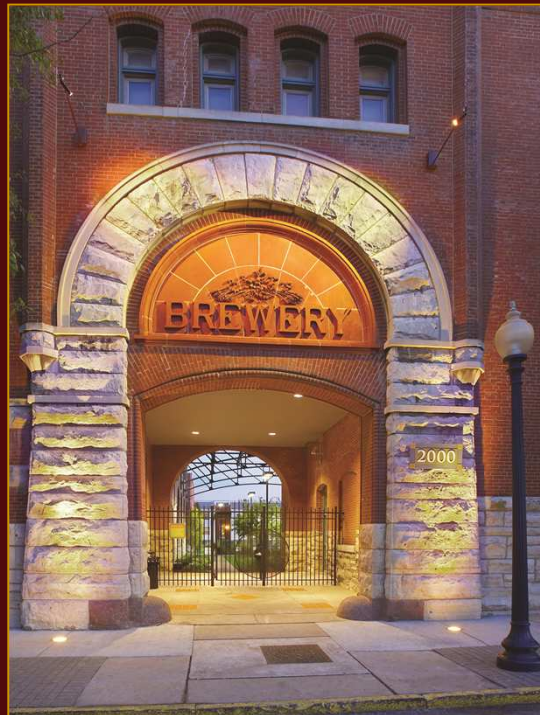
**Matthew Henson
Phoenix, Arizona**



**The St. Louis Brewery Apartments
St. Louis, Missouri**



**Heritage Park
Minneapolis, Minnesota**



Bedford Hill
Pittsburgh, Pennsylvania



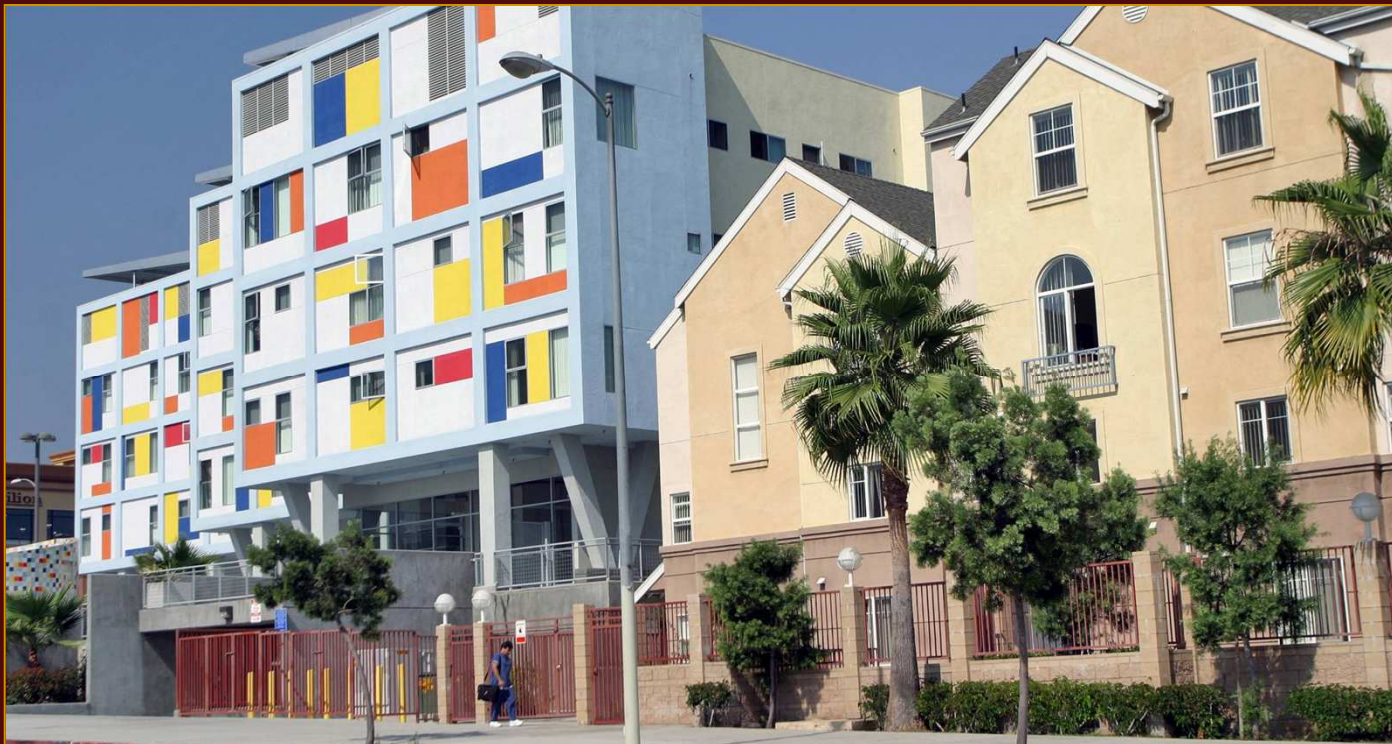
Ashwood Court
Los Angeles, California



Hillside Apartments
Ft. Worth, Texas



**Metro Hollywood & Carlton Court Apartments
Hollywood, California**





**Hayes Valley
San Francisco, California**



**McCormack House
St. Louis, Missouri**



**Pueblo del Sol, Los
Angeles, California**

Keys to Successful Community Revitalization

- Common Vision
- Community and Political Will
- Strong Lasting Partnerships
- Available Resources and Tools
- Can't be an Island: Must Tie into Nearby Strength – other healthy neighborhoods, institutions

Challenges for Community Revitalization in Future

- How to Deal with Shrinking Resources in Era of Greater Need
- Learning to Assemble Stronger, Broader Based Public/Private Partnerships
- More Focused Local and Regional Growth and Development Strategies
- Continuing to Educate Public about Smart Growth
- Creating Livable/Sustainable Urban Neighborhoods of Choice near Jobs and Transportation

*Comprehensive Community Development
in addition to housing development, includes*

Transportation

Education & Social Services

Environmental Sustainability

Jobs & Economic Sustainability

Accessibility

Active Lifestyle

Community Services

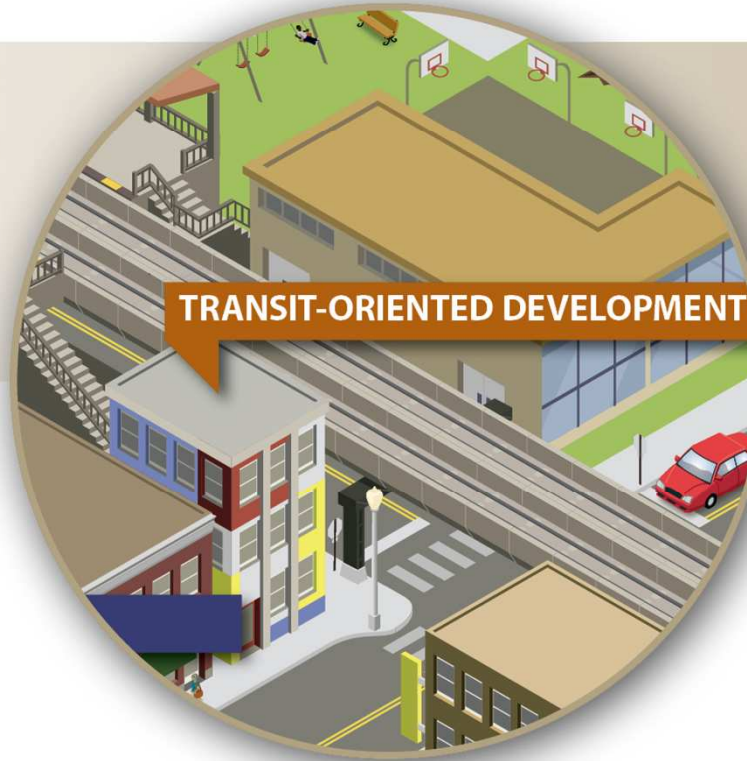
Comprehensive Community Development





Transit-Oriented Development

Whether situating residential and mixed-use developments adjacent to light-rail stations or partnering with local transit authorities to better service their communities, successful mixed-income communities must provide appealing public transportation options for residents.



Linking People to Transit

By programming sites with an appropriate density and providing direct connections to public transit, these transit-oriented communities decrease dependence on the automobile, promote healthy living among residents, and save valuable resources.



Community Schools & Services

Building a neighborhood is much more than just bricks and mortar. We seek to understand neighborhood systems and institutions by working with local organizations to improve the recreational and educational activities in the neighborhood. We actively seek out long-term partnerships with early education centers, schools, job training programs, social service providers and more.



The Human Capital Link

Promoting and supporting educational and job training programs as well as other social services in communities reduces the economic fragility and insecurity of families, increases the likelihood of upward mobility of low-income families, increases social integration among all residents of the mixed-income community, and creates the environment for improved school performance of low-income students.



Green Building

Green communities are built for sustainability creating healthier, more resource-efficient models of design, construction, renovation, operation, and maintenance. Their design maximizes energy efficiency, minimizes the use of resources and preserves the natural environment while remaining practical and affordable.



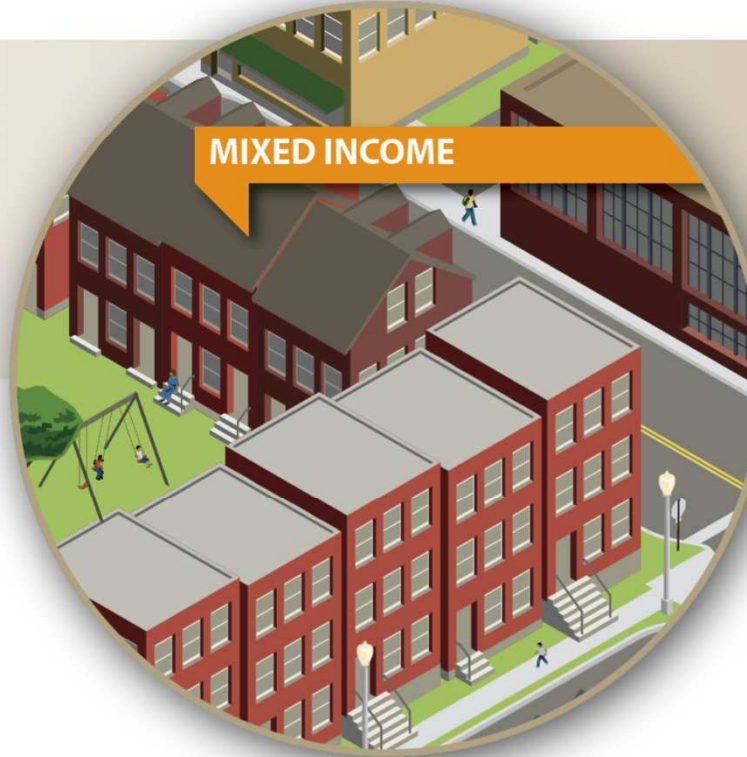
Green Benefits

Not only is this approach good for the environment, but our residents benefit from decreased utility costs and healthy, toxin-free environments. Building green also makes sense from a business perspective: by incorporating green design features from the start, a relatively small investment during development can result in significant long-term savings in the operations of the community.



Job Creation

Our developments create construction and green collar jobs, bring business opportunities and result in permanent management, retail, service, and commercial employment in historically disinvested neighborhoods.



New Opportunities

We work to connect residents and local businesses to these economic opportunities through ambitious MBE/WBE/Section contracting and hiring goals, through job training programs that target construction, green collar and post-redevelopment activities, and through programs like our partnership in California that connects residents with employment opportunities arising out of social enterprises.

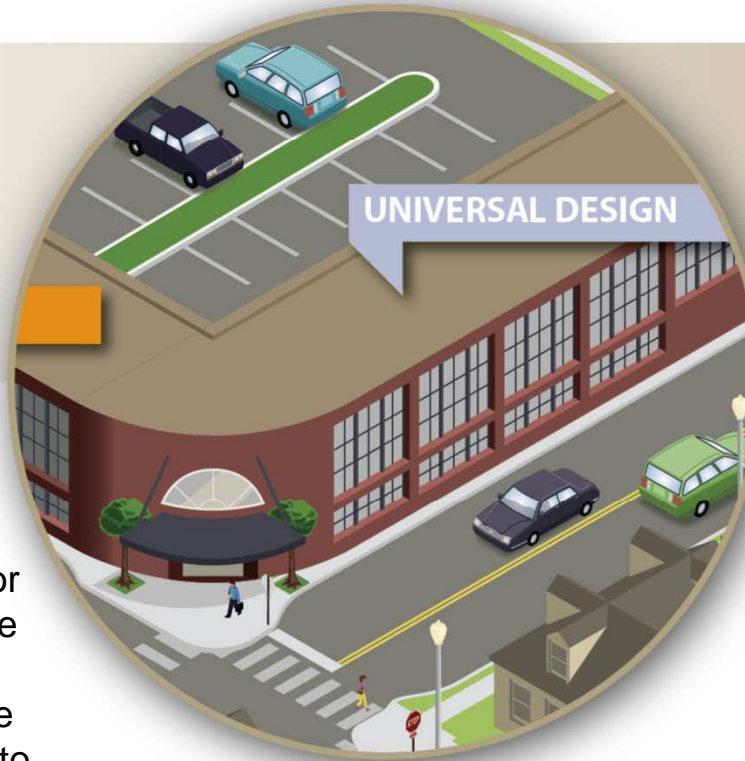
Accessibility

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Universal Design

Universal Design (UD) is the practice of designing the built environment to be accessible for everyone, including children, the elderly, the physically disabled and the able-bodied, without the results being so specialized as to render the units unappealing to the population at large.



Accessibility for All

By providing an environment for people of all ages and ranges of ability, our UD-buildings and UD-designed neighborhoods minimize hazards and promote comfort and efficiency to both the physically disabled and able-bodied population, without the stigma of specialized housing. All residents simply notice how much easier it is to live in these homes and get around their neighborhood.

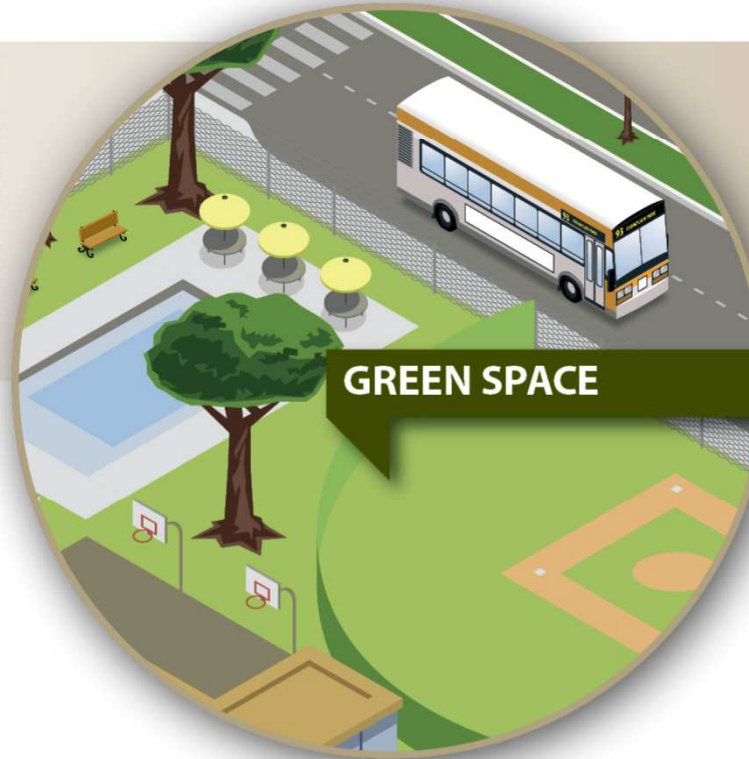
Active Lifestyle

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Green Space

Our neighborhoods feature smaller blocks with wider sidewalks, pedestrian-scale lighting, street trees, safe and attractive crosswalks, and designated bike lanes, all of which are critical to making neighborhoods safe and inviting. Strategically-located and well-designed public spaces including parks and active recreational spaces create central organizing features and community gathering spaces.



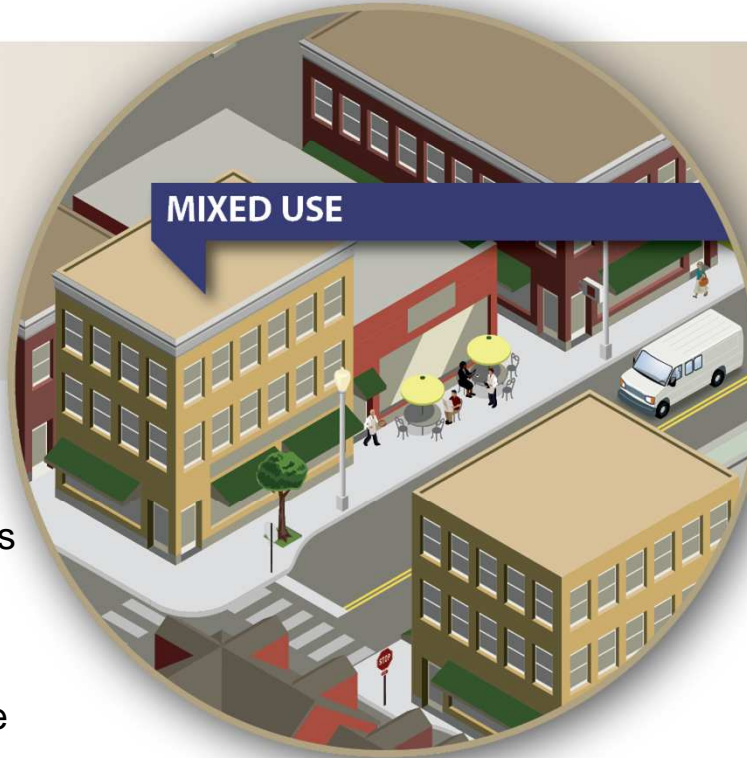
Recreation

Green spaces are the base for providing essential opportunities for outdoor recreation. We partner with local recreation groups, like St. Louis Cardinal's Redbird Rookies and Boys and Girls Clubs, to provide recreational programming for children, youth and adults in our green spaces so that "going out to play" is something in which everyone can participate.



Mixed-Use Developments

Integrating space for both commercial and residential uses leads to reduced sprawl and energy waste, increased convenience, functionality, and sustainability. We recognize the value in engaging businesses and services within our residential dwellings and have found the pairing to be mutually advantageous to both residents and surrounding neighborhoods.

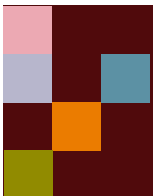


A Mix of Uses

Building the space for a mix of uses is not enough. The uses that come into that space are more important than building the space alone. Uses and tenants included in a development should ensure the right mix to match community needs, including community services, retail, and even health services. By connecting with the community, the appropriate mix of services (and resident links to those services) can be determined and provided.

Harmony Oaks

New Orleans, Louisiana



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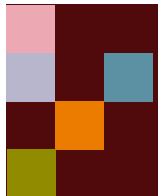
Harmony Oaks
New Orleans, Louisiana

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September 2009

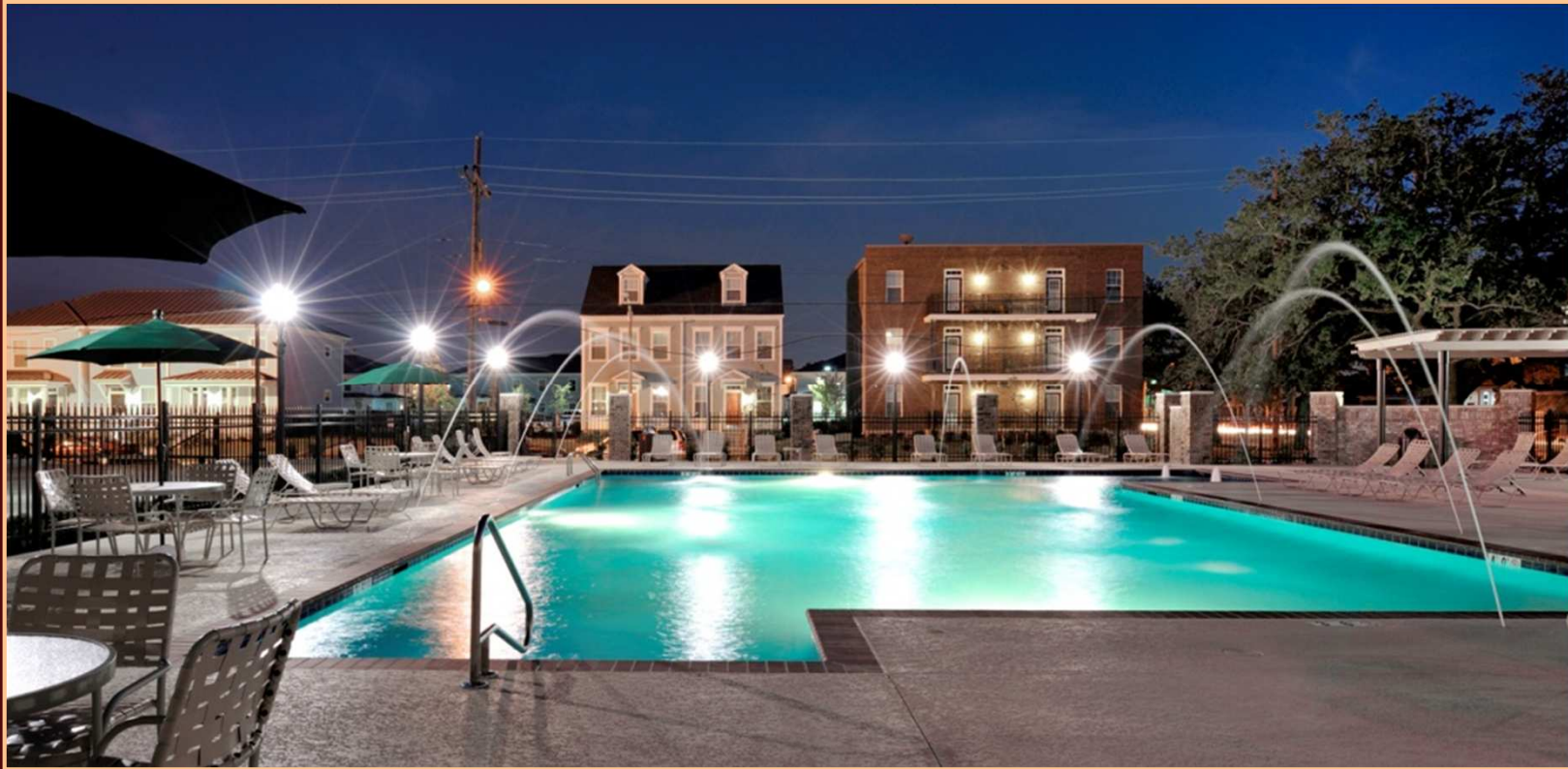


April 2011



Harmony Oaks
New Orleans, Louisiana

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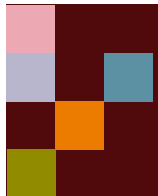


Harmony Oaks
New Orleans, Louisiana

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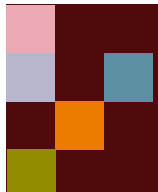


*Interior: 40-unit building
with management office*



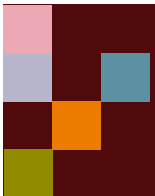
Harmony Oaks
New Orleans, Louisiana

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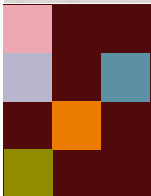
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Job Training Program



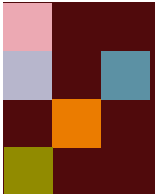
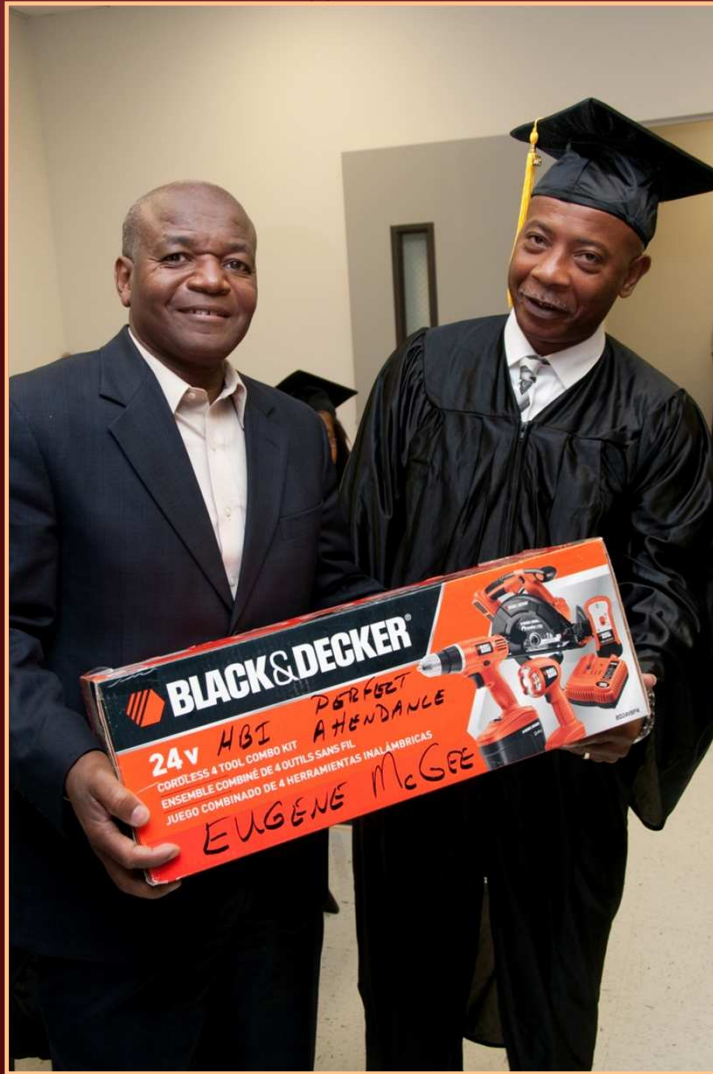
Job Training Program



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Job Training Graduation



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New Orleans, Louisiana

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The Hill District

-Crawford Square

-Bedford Hill

-The Legacy

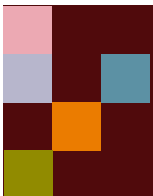
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Crawford Square

Pittsburgh, Pennsylvania



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The Hill



Mixed-Income Communities
Crawford Square

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Mixed-Income Communities
Crawford Square

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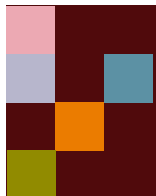
Mixed-Income Communities
Crawford Square

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Sources of Financing

Phase I Rental (203 Units) - Total of \$18,700,000

1st Mortgage	\$4,000,000 <i>A consortium of local banks</i>
2nd Mortgage	1,000,000 <i>Pennsylvania Housing and Finance Agency</i>
3rd Mortgage	3,200,000 <i>A consortium of Pittsburgh foundations</i>
4th Mortgage	3,300,000 <i>Pennsylvania Department of Community Affairs</i>
5th/6th Mortgage	2,200,000 <i>Urban Redevelopment Authority of Pittsburgh</i>
Equity capital	5,000,000 <i>Local and national corporations</i>



Sources of Financing

Phase II Rental (71 Units) – Total of \$8,000,000

1st/2nd Mortgage

\$2,400,000

Pennsylvania Housing and Finance Agency

3rd Mortgage

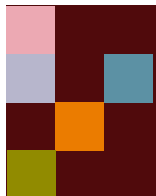
3,100,000

Urban Redevelopment Authority of Pittsburgh

Equity capital

2,500,000

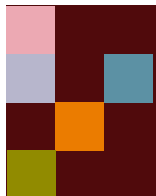
Corporate investors



Sources of Financing

Phase III Rental (74 units) – Total of \$7,200,000

1st/3rd Mortgage	\$1,400,000 <i>Pennsylvania Housing and Finance Agency</i>
2nd Mortgage	1,500,000 <i>Urban Redevelopment Authority of Pittsburgh</i>
4th Mortgage	1,200,000 <i>Urban Redevelopment Authority of Pittsburgh</i>
Equity capital	3,100,000 <i>Corporate investors</i>





Mixed-Income Communities
Crawford Square

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Mixed-Income Communities
Crawford Square

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For-Sale Housing

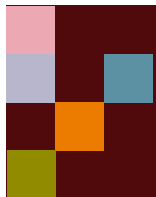


Mixed-Income Communities
Crawford Square

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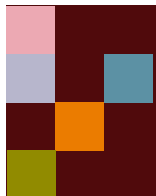
Current Household Incomes

Under \$10,000	53	15%
\$10,001 - \$20,000	62	18%
\$20,001 - \$30,000	66	19%
\$30,001 - \$40,000	46	13%
\$40,001 - \$50,000	27	8%
\$50,001 - \$60,000	21	6%
\$60,001 - \$70,000	17	5%
\$70,001 - \$80,000	12	3%
\$80,001 - \$90,000	7	2%
\$90,001 - \$100,000	7	2%
Over \$100,000	22	6%
TOTAL	343	99%



2011 Summary Schedule of Rents

	# of Units	60% Tax Credit	Market Rate
1 Bedroom	116	\$441-558	\$835
1 Bedroom – Townhouse	21	\$546	\$875
2 Bedroom	131	\$523-664	\$1,005
2 Bedroom – Townhouse	55	\$508-649	\$1,200
3 Bedroom – Townhouse	25	\$581-744	\$1,340
Total units	348		

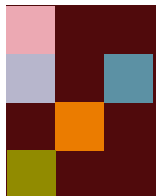


Mixed-Income Communities
Crawford Square

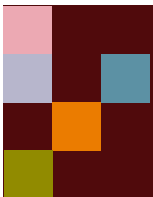
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The Legacy

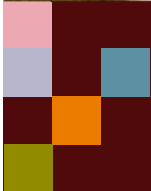
Pittsburgh, Pennsylvania



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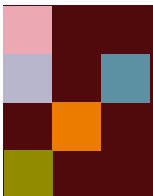


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The Legacy
Pittsburgh,
Pennsylvania



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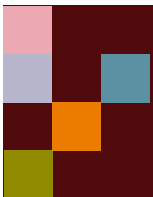


The Legacy
Pittsburgh,
Pennsylvania



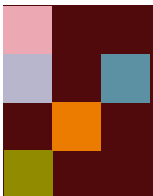
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The Legacy
Pittsburgh,
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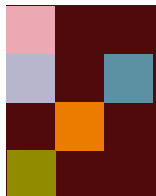
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Pittsburgh,
Pennsylvania



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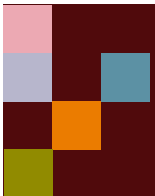
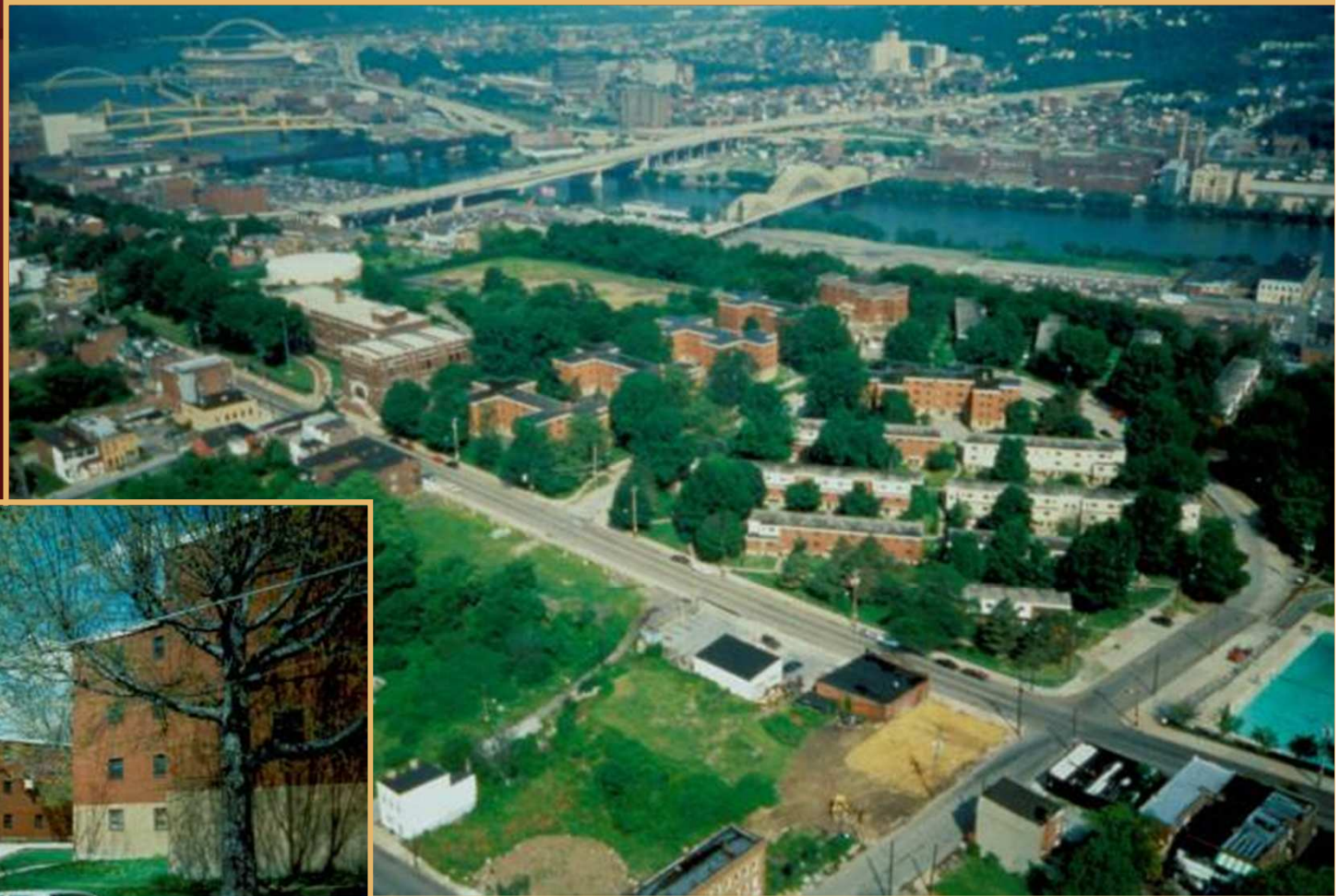
Bedford Hill

Pittsburgh, Pennsylvania



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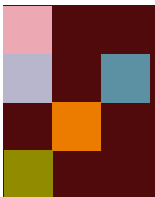
Before



HOPE VI Communities
Bedford Hill

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Before



HOPE VI Communities
Bedford Hill

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Before



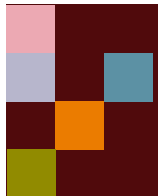
HOPE VI Communities
Bedford Hill

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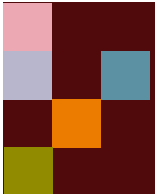
HOPE VI Communities
Bedford Hill

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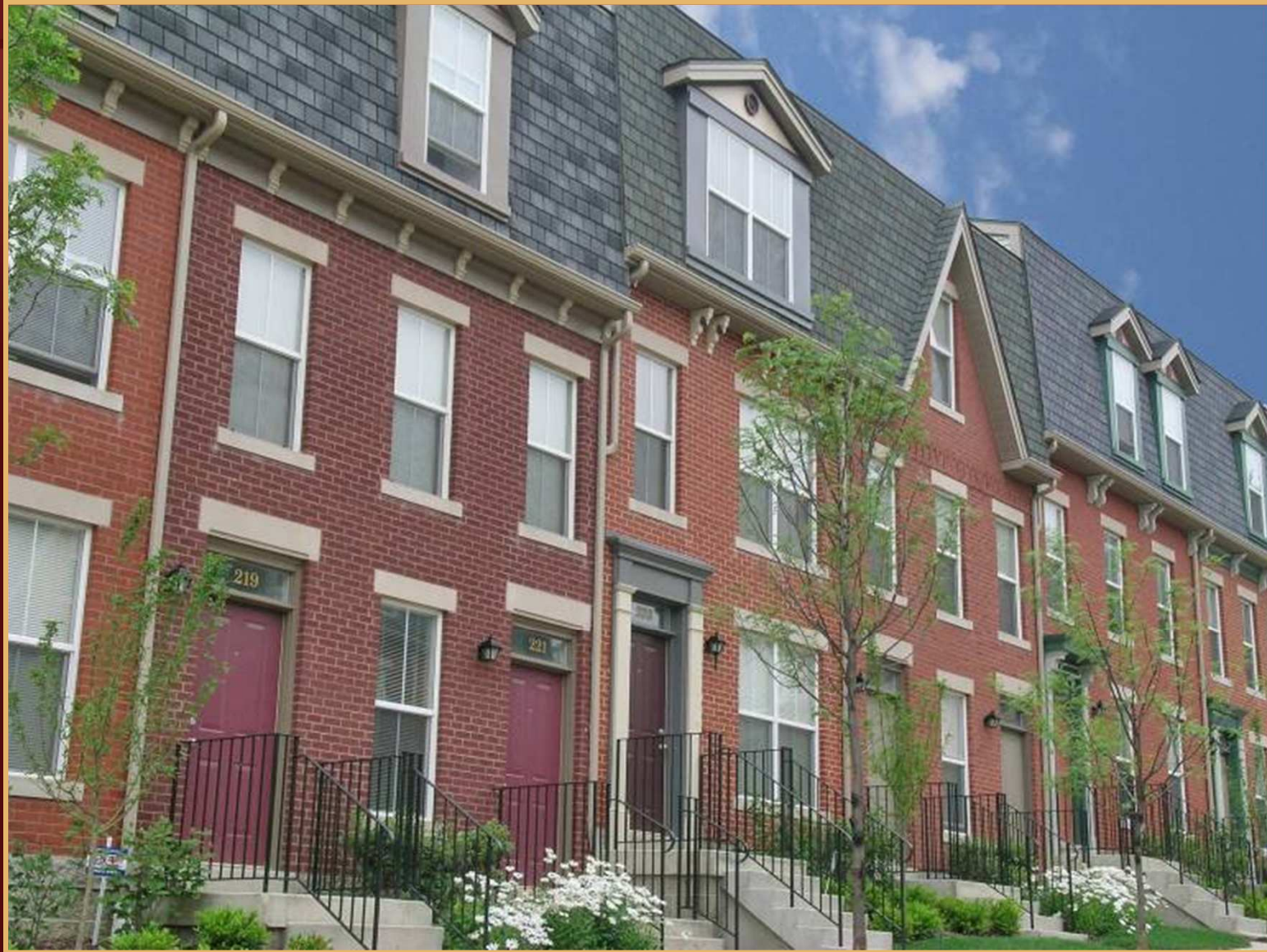
HOPE VI Communities
Bedford Hill

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HOPE VI Communities
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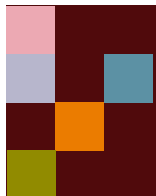


HOPE VI Communities
Bedford Hill

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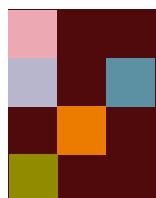
Current Household Incomes

Under \$10,000	112	32%
\$10,001 - \$20,000	83	24%
\$20,001 - \$30,000	74	21%
\$30,001 - \$40,000	44	13%
\$40,001 - \$50,000	12	3%
\$50,001 - \$60,000	12	3%
\$60,001 - \$70,000	2	1%
\$70,001 - \$80,000	3	1%
\$80,001 - \$90,000	2	1%
\$90,001 - \$100,000	2	1%
Over \$100,000	2	1%



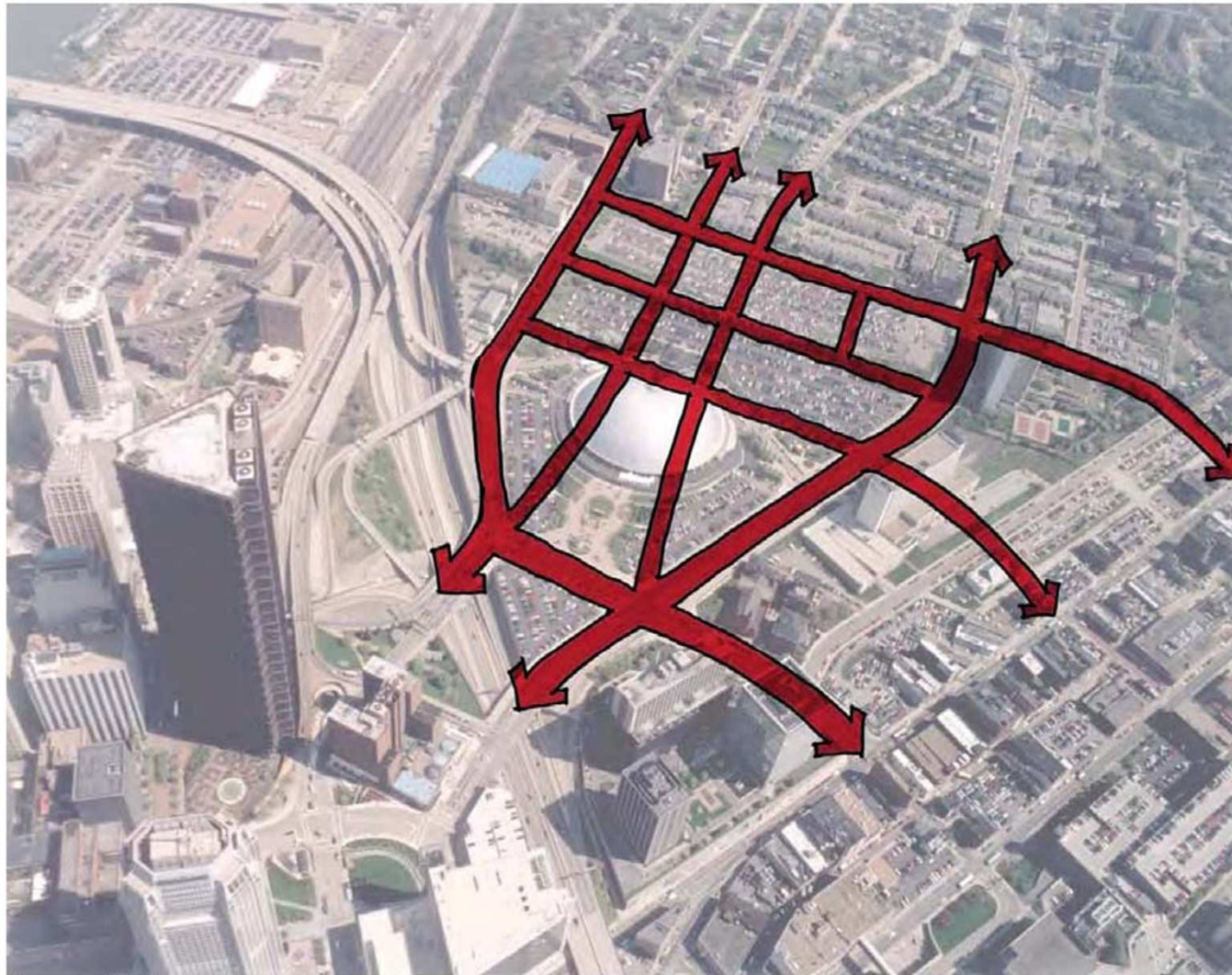
2011 Summary Schedule of Rents

	# of Units	60% Tax Credit	Market Rate
1 Bedroom	84	\$481-598	\$725-815
2 Bedroom	165	\$580-664	\$815
2 Bedroom – Townhouse	29	\$580-721	\$915-950
3 Bedroom	59	\$658-821	NA
4 Bedroom	14	NA	NA
Total units	351		

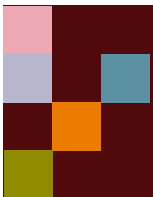


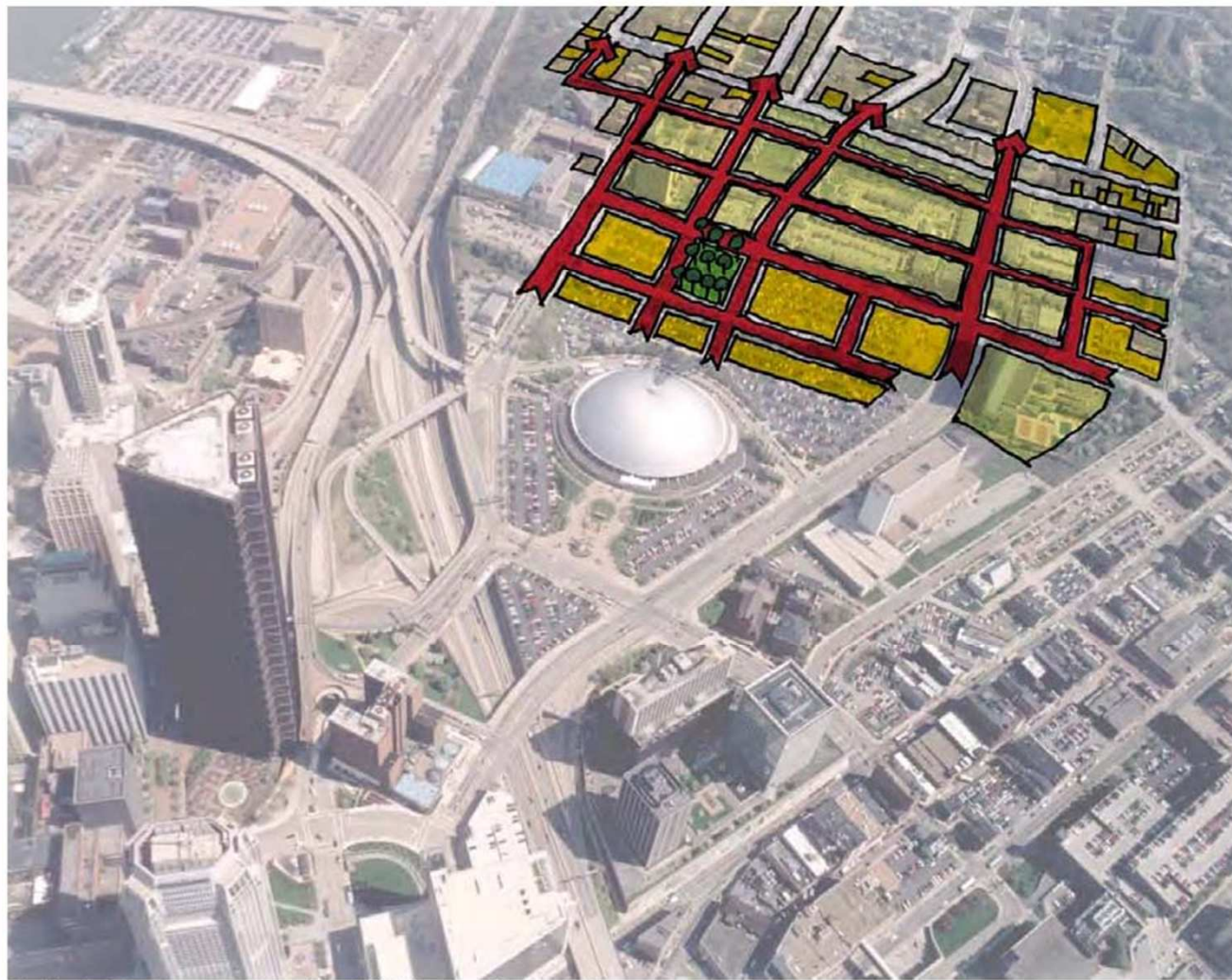
HOPE VI Communities
Bedford Hill

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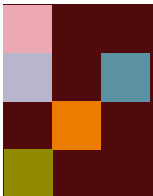


Framework of Streets

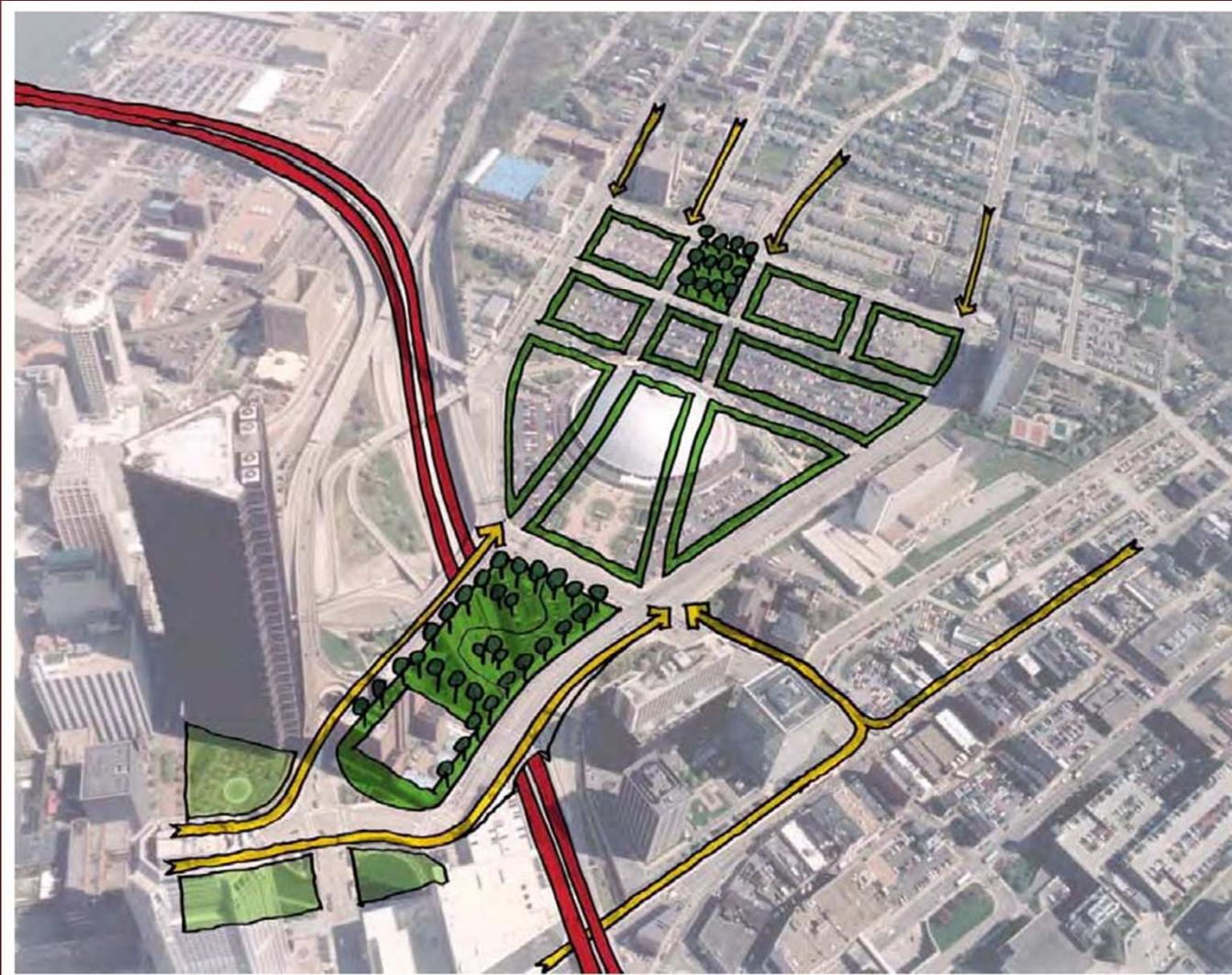




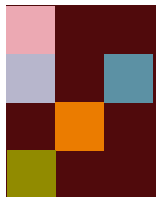
Residential Development to Reinforce Hill District Neighborhoods

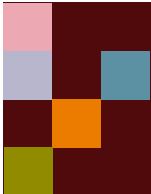
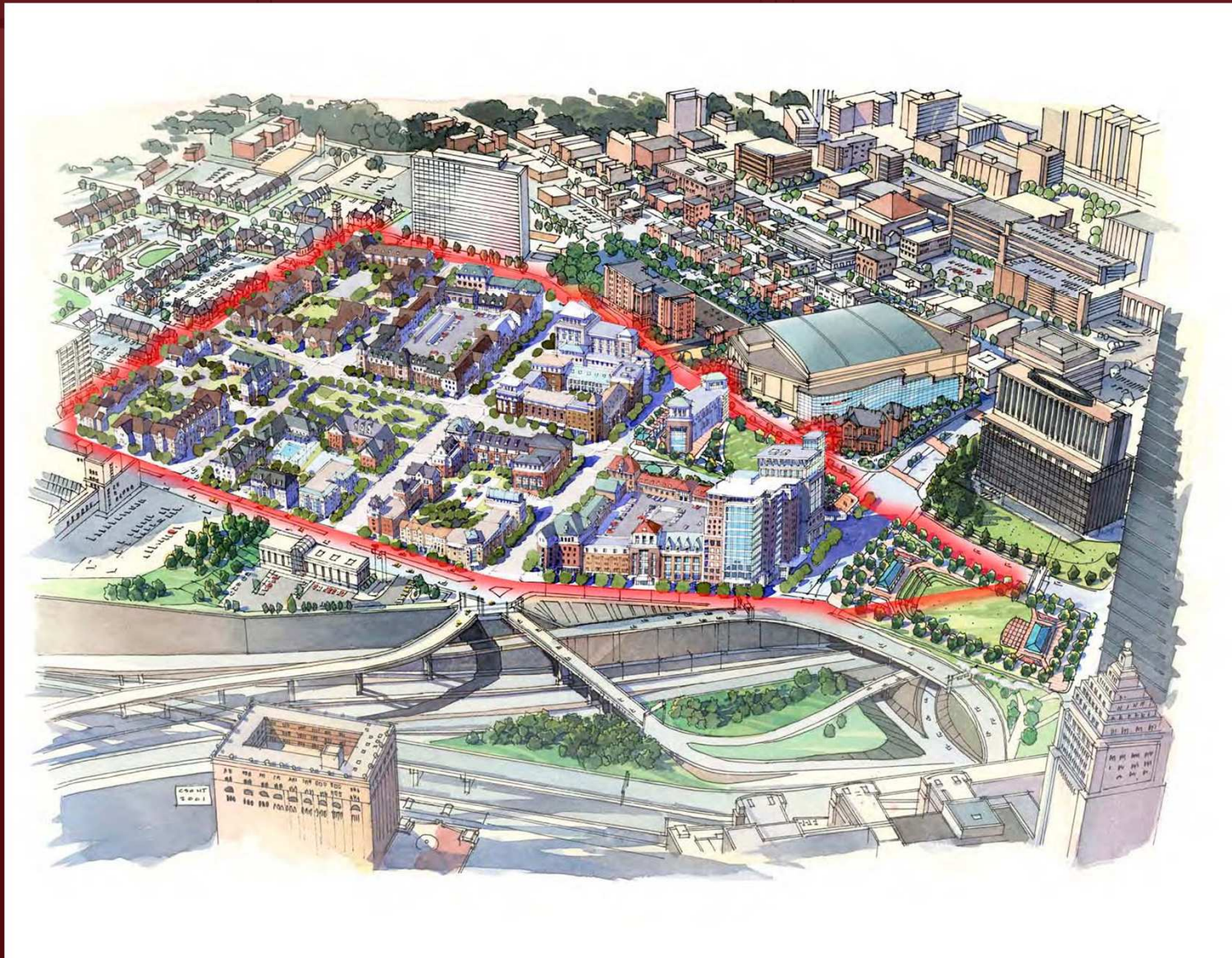


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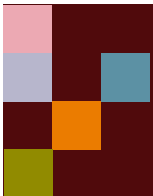
Pedestrian Network/Downtown Connection





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EAST LIBERTY



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Federal American Properties --Aerial View





Liberty Park Apartments



The Community Builders, Inc.

Federal American Properties



Liberty Park Apartments



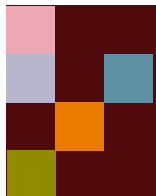
Penn Circle Towers



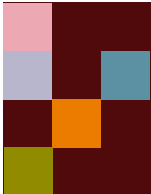
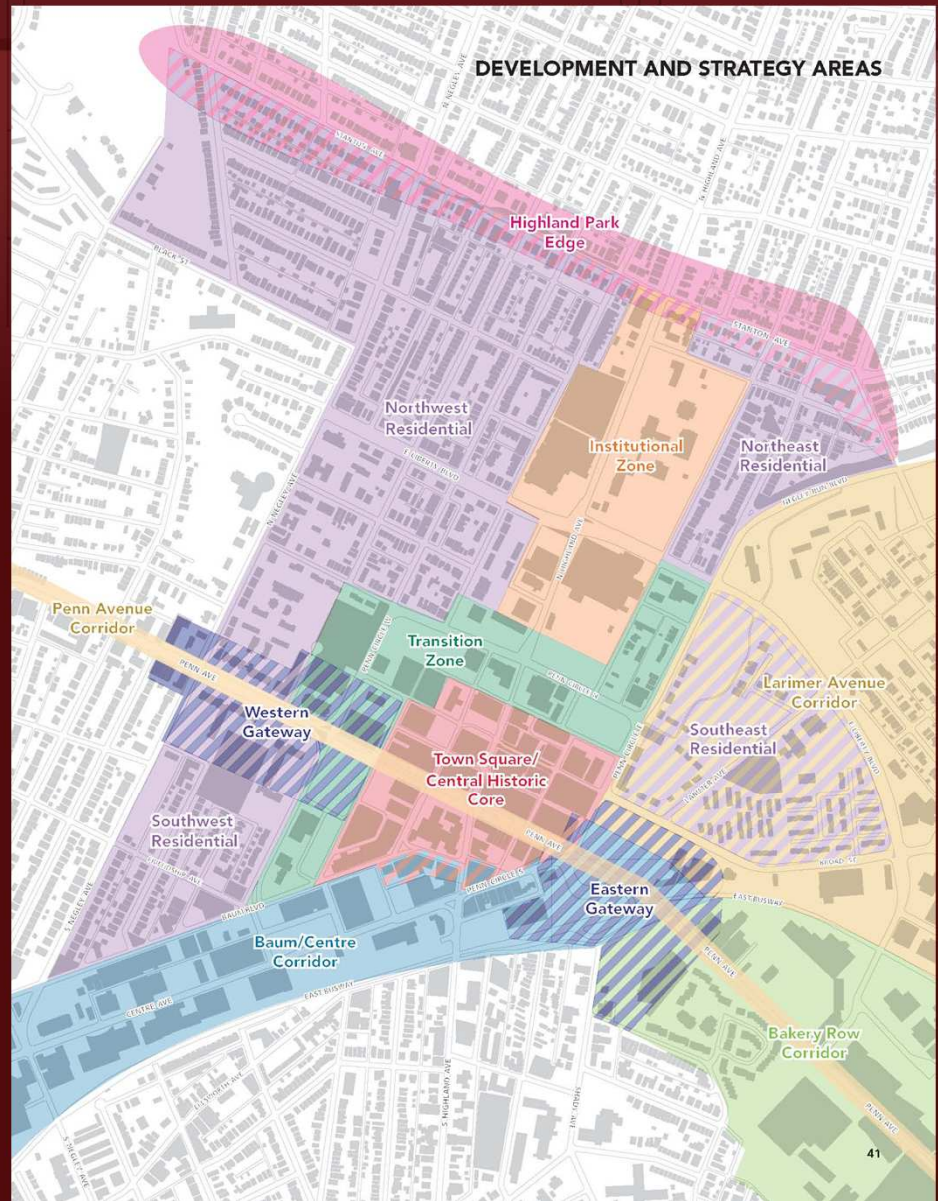
Liberty Park Apartments

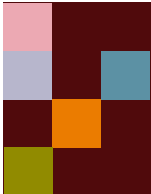
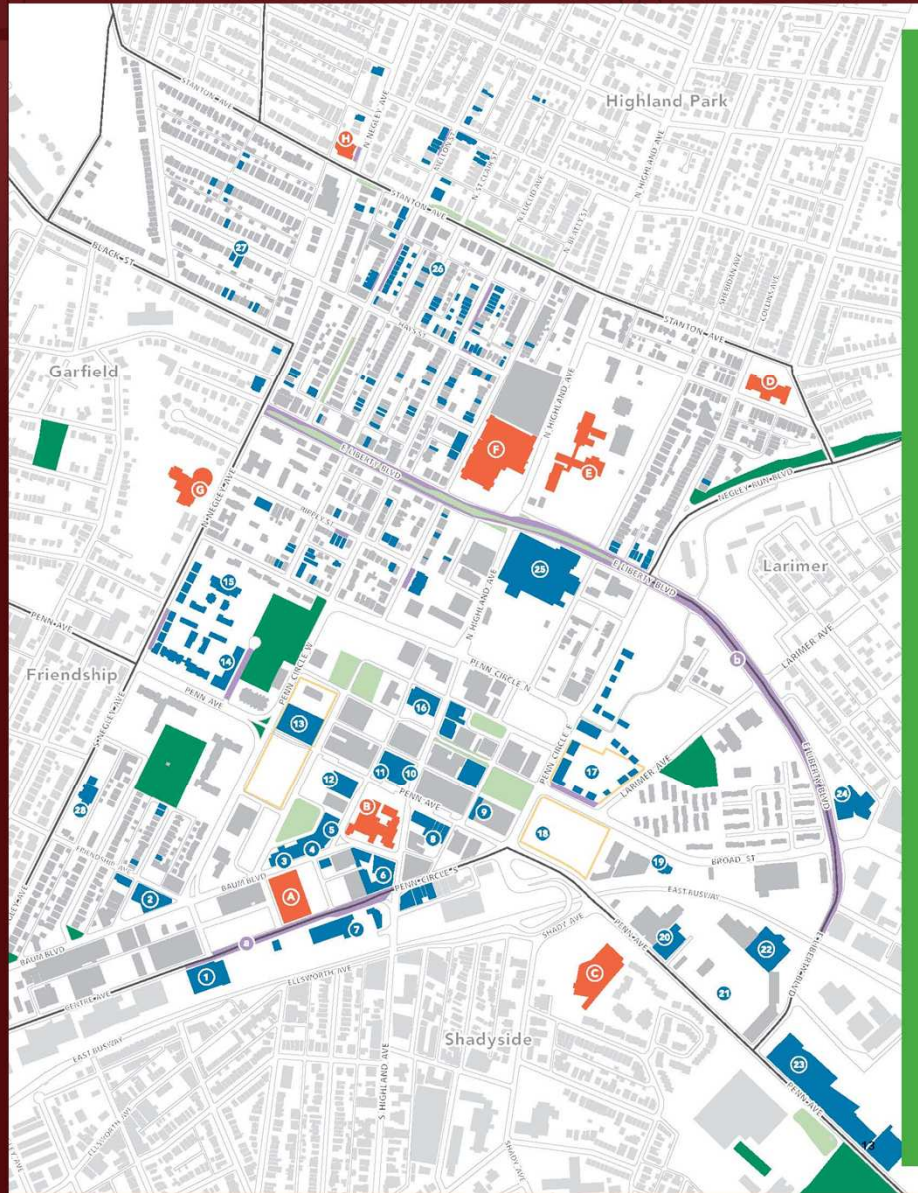


East Mall Apartments



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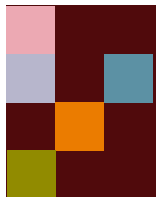


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Fairfield

Pittsburgh, Pennsylvania

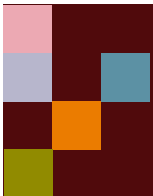
East Liberty

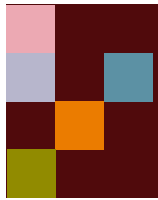


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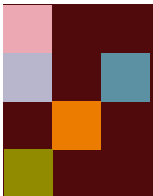
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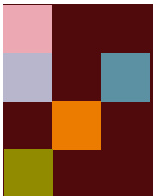
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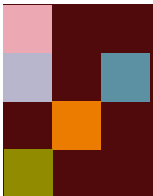
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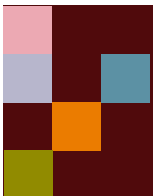
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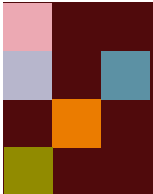
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Current Household Incomes

Under \$10,000	26	21%
\$10,001 - \$20,000	37	30%
\$20,001 - \$30,000	22	18%
\$30,001 - \$40,000	25	20%
\$40,001 - \$50,000	11	9%
\$50,001 - \$60,000	3	2%
TOTAL	124	98%

2011 Summary Schedule of Rents

	# of Units	Tax Credit	Market Rate
1 Bedroom	38	\$316-441	\$695
2 Bedroom	53	\$367-507	\$795
2 Bedroom – Townhouse	23	\$352-492	\$850
3 Bedroom – Townhouse	10	\$399-632	--



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